

# Chicago Neighborhood Stabilization Program

Request for Proposal: Licensed Real Estate Professionals

April 16, 2009

A Partnership of:

The City of Chicago

Mercy Portfolio Services

Para una versión en Español, por favor llamar a Darlene A. Dugo (312) 447-4536

# **Mercy Portfolio Services (MPS)**

## **REQUEST FOR PROPOSAL**

This Request for Proposals (“RFP”) is being issued by Mercy Portfolio Services (“MPS”) in its capacity as manager of the Neighborhood Stabilization Program (NSP) for the City of Chicago (the “City”). MPS invites the submission of proposals from Licensed Real Estate Professionals to facilitate the execution of purchases, specifically foreclosed properties, in targeted areas.

Licensed Real Estate Professionals with community development experience are invited to respond to this RFP. Community development experience may be demonstrated by the following: aiming to improve communities through collaborative efforts, having an extensive knowledge of, and expertise on, issues of importance to the community, and having established working relationships with nonprofit organizations and local stakeholders in specific NSP areas of greatest need (areas noted at the end of this RFP). “**Respondents**” means the companies or individuals that submit proposals in response to this RFP.

MPS is seeking to encourage participation by respondents who are MBE/WBE or Section 3 business enterprises and has an aspirational goal for minimum MBE/WBE participation of at least 24% MBE and 4% WBE participation.

The work contemplated is professional in nature. The Respondent shall be financially solvent and each of its members (if a joint venture), its employees, agents or sub-consultants of any tier shall be competent to perform the services required under this RFP, in accordance with the Illinois Real Estate Licensing Act of 2000.

Nothing in this RFP shall be construed to create any legal obligation on the part of MPS or any respondents. MPS reserves the right, in its sole discretion, to amend, suspend, terminate, or reissue this RFP in whole or in part, at any stage. In no event shall MPS be liable to respondents for any cost or damages incurred in connection with the RFP process, including but not limited to, any and all costs of preparing a response to this RFP or any other costs incurred in reliance on this RFP. All documentation submitted in response to this RFP will become the property of MPS.

Respondents may also withdraw their interest in the RFP, in writing, at any point in time as more information becomes known.

### **TIME of COMPLETION**

Any agreement awarded pursuant to this RFP solicitation shall be in accordance with the scope of work and compensation as outlined below, and, within a mutually agreed upon expedited timeframe.

### **TERM of AGREEMENT**

Any agreement awarded pursuant to this RFP solicitation shall be for a period of up to 18 months, with the possibility of an extension, in a specified NSP area of greatest need.

### **BACKGROUND**

In 2008, Congress passed and the President signed into law the Housing and Economic Recovery Act of 2008 (“HERA”). A provision of the law, known as the Neighborhood Stabilization Program

("NSP"), provides states and local governments with funds to address the impact of vacant and foreclosed homes. On September 26, 2008, the U.S. Department of Housing and Urban Development ("HUD") announced that it had allocated \$55,238,017 to the City; and, on November 26, 2008 the City submitted a plan for how it will utilize its NSP funds. The plan, known as the "NSP Substantial Amendment," is available for public review at [www.cityofchicago.org/housing](http://www.cityofchicago.org/housing).

In order to expedite the effective use of the NSP funds, the City of Chicago is sub-granting the funds to MPS, a non-profit corporation that is an affiliate of Mercy Housing Inc. MPS will coordinate all REO property acquisitions, rehabilitation and sales, and ensure compliance with all federal, state, and City regulations.

MPS is issuing this Request for Proposals. All responses and questions should be directed to MPS at the address indicated below and not to the City.

### **CITY OF CHICAGO OBJECTIVES**

Given the scale of the foreclosure issue and its adverse impact on neighborhoods, the City has established the following neighborhood stabilization goals:

1. Stabilize neighborhoods by getting vacant and foreclosed homes up-to-code and occupied as quickly as possible.
2. Strategically target interventions to protect neighborhoods impacted by foreclosure, preserve public and private investments, and make a measurable impact in targeted areas.
3. Create efficiencies and economies of scale by acquiring vacant, foreclosed properties in bulk at a discount from lending institutions and redeveloping those properties with a broad network of qualified development partners.
4. Prioritize interventions on vacant, foreclosed 1-6 unit properties and other larger buildings that adversely impact neighborhood stability and quality of life in targeted areas.
5. Ensure compliance with affordability restrictions on rehabilitated homeownership and rental housing units.

### **NSP REQUIREMENTS**

The regulations governing NSP were published in the Federal Register on October 6, 2008 (Volume 73, Number 194) and can be viewed at [www.hud.gov/nsp](http://www.hud.gov/nsp). Respondents are strongly encouraged to read these regulations prior to submitting their response to this RFP.

HERA requires that all NSP funds be obligated to specific activities no later than 18 months after the City receives funds from HUD.

## COMPENSATION

Compensation for the scope of work requested will be in the form of a percentage commission, a flat fee, or an hourly rate, earned as the selling agent, as agreed to by the selling and listing agents, and paid by the listing real estate broker.

## SCOPE OF WORK

MPS seeks sealed proposals from Licensed Real Estate Professionals to facilitate the execution of purchases, specifically abandoned and foreclosed properties (see NSP Notice Definition below), located in Chicago community areas identified as NSP areas of greatest need in the City's NSP Substantial Amendment (see areas at the end of this RFP). Licensed Real Estate Professionals will be needed for each targeted area and must agree to collaborate and work cooperatively to achieve the scope of work.

***NSP Notice Definition: Abandoned.*** A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.

***NSP Notice Definition: Foreclosed.*** A property "has been foreclosed upon" at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

MPS is interested in facilitating the acquisition of abandoned and foreclosed properties from various mortgage loan servicers for the purpose of rehabilitation, or demolition to foster neighborhood stabilization.

During the NSP grant period, which runs through March 2013, MPS anticipates up to 1,400 purchases across the respective NSP areas. It is important to note that all purchase transactions must comply with the Federal Register Notice: Section 2301(d)(1), which limits the purchase price of a foreclosed home, as follows: Any purchase of a foreclosed upon home or residential property under this section shall be at a discount from the current market appraised value of the home or property, taking into account its current condition, and such discount shall ensure that purchasers are paying below-market value for the home or property. Specifically, an individual purchase discount of five percent (5%) and the purchases in the aggregate of fifteen percent (15%).

The following services are requested of the Licensed Real Estate Professional under this RFP:

- Identify the best course of action for acquisition of NSP eligible properties (and anticipated NSP eligible properties) within the targeted areas and offer the most comprehensive services in identifying properties within these communities including, but not limited to, block-by-block property indexing with photos;
- Provide accurate information for the decision making process to determine which properties are best-suited for rehabilitation vs. demolition and homeownership vs. rental;
- Cooperate fully with listing agents and educate them about the Neighborhood Stabilization Program and what the process will entail as you represent Mercy Portfolio Services in the transaction;
- Assist in monitoring all the components of a real estate transaction;
- Write, negotiate, and submit all offers for Mercy Portfolio Services as the client and in keeping with the expectation of NSP regulations (i.e. achieve property discount based on appraised

value);

- Have all disclosures prepared once the offer is accepted with any seller /buyer addendums;
- Ensure all required signatures are obtained from the buyer within 24 hours and delivered/uploaded to the listing agent; and,
- Ensure and coordinate access to the property for developers, appraiser, specification writer, and for any environmental inspections.

## EVALUATION CRITERIA AND SCORING

In evaluating responses to this Request for Proposal, MPS will take into consideration experience, history of community engagement, and overall plan for collaborating with other Licensed Real Estate Professional (s) to achieve the scope of work as outlined. The following Evaluation Criteria will be considered in reviewing submittals:

### Experience and Capacity

The point system is to evaluate the experience and capacity of the Respondent.

- 1) Experience in facilitating the execution of real estate purchases.

One (1) to five (5) years of experience.	5 Points
Five (5) to ten (10) years of experience.	10 Points
Greater than ten (10) years of experience.	15 Points

- 2) Number of listings and sales by Respondent in the respective NSP areas of greatest need.

Bottom 1/3 of proposals	5 Points
Middle 1/3 of proposals	10 Points
Top 1/3 of proposals	15 Points

- 3) Number of listings and sales by Respondent of foreclosed properties in all areas of the City of Chicago.

Bottom 1/3 of proposals	5 Points
Middle 1/3 of proposals	10 Points
Top 1/3 of proposals	15 Points

- 4) Respondents will be awarded up to 40 points for their community development experience in the respective Chicago areas of greatest need outlined in the City's NSP Substantial Amendment (areas listed at the end of this RFP).

- 5) Respondents will be awarded up to 15 points for their plan to address the scope of work.

## **SUBMITTAL REQUIREMENTS**

RFP responses must be submitted **both** via hard copy and fax copy sent to 1.888.746.4801. Each respondent shall submit one (1) original and three (3) bound copies of the following documents in a clear, legible, 12 point font, and 8.5 by 11 inch format. **Responses not submitted both via hard copy and fax will not be considered.**

Respondents are advised to adhere to the Submittal Requirements. Failure to comply with the instructions of this RFP will be cause for rejection of submittals. MPS reserves the right to seek additional information to clarify responses to this RFP. Each response must include the following:

### **Letter of Interest**

Please submit a Cover Letter of Interest signed by a duly authorized officer or representative of the Respondent, not to exceed two pages in length. The Letter of Interest must also include the following information:

1. The principal place of business and the contact person, title, telephone/fax numbers and email address.
2. A brief summary of the qualifications of the licensed real estate professional.
3. A description of the business organization (i.e. Corporation, Limited Liability Company, or Joint Venture).
4. The names and business addresses of all Principals of the Respondent. For purposes of this RFP "Principals" shall mean persons possessing an ownership interest in the Respondent.
  - a. If the Respondent is a partially owned or fully-owned subsidiary of another organization, identify the parent organization and describe the nature and extent of the parent organization's approval rights, if any, over the activities of the Respondent.
  - b. If the Respondent is a partially owned or fully-owned subsidiary of another organization, identify the parent organization and describe the nature and extent of the parent organization's approval rights, if any, over the activities of the Respondent.
5. The Certification attached hereto at the end of this RFP and incorporated herein by reference must be signed by Respondent and attached to the Letter of Interest.

### **Threshold Requirements**

**These documents must be submitted and acceptable before MPS will review the Experience and Capacity proposal:**

1. City of Chicago Economic Disclosure Statement (EDS)\*
2. Affidavit of Child Support Compliance\*
3. City of Chicago Indebtedness Profile Form (s)\*
4. Copy of Respondent's Real Estate License
5. Copy of Respondent's Real Estate Broker's License (If sponsored by a broker, provide copy of sponsoring broker's license)
6. Copy of Real Estate Broker's Business License
7. Letter of support from Licensed Real Estate Broker (If sponsored by a broker)
8. Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Illinois Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture.)
9. Evidence of Errors and Omissions Insurance, \$1,000,000

10. Three (3) references of related projects, including date of project, contact person and phone number, and a brief description of the project.

\*Items #1-3 can be found at the end of this RFP

## **Main Proposal**

Please provide the following information:

1. Experience in facilitating the execution of real estate purchases.
2. Number of listings and sales by Respondent in the respective NSP area (s) in which you wish to be considered (provide supporting documentation).
3. Number of listings and sales by Respondent of foreclosed properties (provide supporting documentation).
4. A narrative (limited to two pages) identifying the community area (s) of greatest need in which the Respondent is interested in working; and, a history of community development activities and relationships established in the respective area (s). Please provide specific examples and be concise in your response.
5. Outline of plan to address the scope of work (i.e. Include technology tools, databases, collaborating with community partners and other real estate professionals, etc.).
6. Respondents should state whether they are an MBE/WBE or Section 3 business enterprise. If so, please provide a copy of a current MBE/WBE certification letter.

## **SELECTION PROCESS**

The Selection Committee comprised of MPS staff will review qualifications in accordance with the evaluation criteria set forth herein and City objectives and policies.

Proposals that are submitted timely and comply with the mandatory requirements of the RFP will be evaluated in accordance with the terms of the RFP.

## **QUESTIONS**

Questions regarding this RFP should be submitted in writing via email to [chicagosp@mercyhousing.org](mailto:chicagosp@mercyhousing.org).

**SUBMITTAL DUE DATE:** Responses to this RFP are due by 1:00 P.M. on May 1, 2009.

Responses to this RFP must be faxed to 1.888.746.4801. Hard copies must be delivered to:

Mercy Portfolio Services  
Attn: Darlene A. Dugo  
247 South State Street, Ste. 810  
Chicago, IL 60604

City of Chicago Neighborhood Stabilization Program Areas of Greatest Need

Auburn Gresham  
Austin  
Burnside  
Chatham  
Chicago Lawn  
East Garfield Park  
Englewood  
Fuller Park  
Grand Boulevard  
Greater Grand Crossing  
Humboldt Park  
New City  
North Lawndale  
Oakland  
Pullman  
Riverdale  
Roseland  
South Chicago  
South Deering  
South Shore  
Washington Park  
West Englewood  
West Garfield Park  
West Pullman  
Woodlawn

**CERTIFICATION FORM**

**NOTE: THIS PAGE MUST BE COMPLETED AND INCLUDED WITH THE SUBMITTAL**

**CERTIFICATION:** The undersigned hereby certifies, on behalf of the Respondent named in this Certification (the “Respondent”), that the information provided in this RFP submittal to Mercy Portfolio Services is accurate and complete, and I am duly authorized to submit same. I hereby certify that the Respondent has reviewed this RFP in its entirety and accepts its terms and conditions.

\_\_\_\_\_  
(Name of Respondent)

\_\_\_\_\_  
(Typed Name of Authorized Representative)

\_\_\_\_\_  
(Signature of Authorized Representative)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT**

**SECTION I -- GENERAL INFORMATION**

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

\_\_\_\_\_

**Check ONE of the following three boxes:**

Indicate whether Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: \_\_\_\_\_

OR

3.  a specified legal entity with a right of control (see Section II.B.1.b.) State the legal name of the entity in which Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of Disclosing Party: \_\_\_\_\_

C. Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

D. Name of contact person: \_\_\_\_\_

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

\_\_\_\_\_

G. Which City agency or department is requesting this EDS? \_\_\_\_\_

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

Person  Limited liability company\*

Publicly registered business corporation  Limited liability partnership\*

Privately held business corporation  Joint venture\*

Sole proprietorship  Not-for-profit corporation

General partnership\* (Is the not-for-profit corporation also a 501(c)(3))?

Limited partnership\*  Yes  No

Trust  Other (please specify)

\_\_\_\_\_

\* Note B.1.b below.

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

\_\_\_\_\_

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes  No  N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1.a. List below the full names and titles of all executive officers and all directors of the entity.

For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

Name Title

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1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name Title

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2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name Business Address Percentage Interest in the Disclosing Party

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**SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes  No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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**SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name Business Relationship to Disclosing Party Fees

(indicate whether Address (subcontractor, attorney, (indicate whether retained or anticipated lobbyist, etc.) paid or estimated to be retained)

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(Add sheets if necessary)

Check here if the Disclosing party has not retained, nor expects to retain, any such persons or entities.

**SECTION V -- CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the term of the contract.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes  No  No person owns 10% or more of the Disclosing Party.

If “Yes,” has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes  No

**B. FURTHER CERTIFICATIONS**

1. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

2. The certifications in subparts 2, 3 and 4 concern:

- the Disclosing Party;
- any “Applicable Party” (meaning any party participating in the performance of the Matter, including but not limited to any persons or legal entities disclosed under Section IV, “Disclosure of Subcontractors and Other Retained Parties”);
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under

common control of another person or entity;

• any responsible official of the Disclosing Party, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Applicable Party, nor any Affiliated Entity of either the Disclosing Party or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

4. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

6. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code.

(Additional definitions may be found in Municipal Code Section 2-32-455(b).)

1. CERTIFICATION

The Disclosing Party certifies that the Disclosing Party (check one)

is  is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes  No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes  No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name Business Address Nature of Interest

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4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has

disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph 2.

\_\_\_\_ 1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

\_\_\_\_ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1(a) above, the Disclosing Party has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Disclosing Party verifies that the following constitutes full disclosure of all such records:

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## **SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS**

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

### **A. CERTIFICATION REGARDING LOBBYING**

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Begin list here, add sheets as necessary):

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sflllin.pdf>, linked on the page [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html).

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### **B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes  No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes  No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes  No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes  No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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### **SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE**

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

D. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to

participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

E. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

F. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

H.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

H.2 If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

H.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in H.1. and H.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in H.1., H.2. or H.3. above, an explanatory statement must be attached to this EDS.

**CERTIFICATION**

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

\_\_\_\_\_ Date: \_\_\_\_\_

(Print or type name of Disclosing Party)

By:

\_\_\_\_\_  
(sign here)

\_\_\_\_\_  
(Print or type name of person signing)

\_\_\_\_\_  
(Print or type title of person signing)

Signed and sworn to before me on (date) \_\_\_\_\_, by \_\_\_\_\_,  
at \_\_\_\_\_ County, \_\_\_\_\_ (state).

\_\_\_\_\_  
Notary Public.

Commission expires:\_\_\_\_\_.





**City of Chicago  
Neighborhood Stabilization Program  
City Indebtedness Profile Form**

Any individual/company who owns in excess of 7.5% of the entity seeking to become a qualified NSP Real Estate Professional must submit a City Indebtedness Profile Form.

Name:	
Home Address:	
Date of Birth:	
Social Security Number:	
Driver's License Number:	
License Plate Number:	

## **NSP SUBMITTAL REQUIREMENTS CHECKLIST**

- \_\_\_\_\_ Letter of Interest
- \_\_\_\_\_ Certification
- \_\_\_\_\_ City of Chicago Economic Disclosure Statement (EDS)
- \_\_\_\_\_ Affidavit of Child Support Compliance
- \_\_\_\_\_ City of Chicago Indebtedness Profile Form (s)
- \_\_\_\_\_ Real Estate License
- \_\_\_\_\_ Copy of Real Estate Broker's License
- \_\_\_\_\_ Copy of Real Estate Broker's Business License
- \_\_\_\_\_ Letter of support from Licensed Real Estate Broker
- \_\_\_\_\_ Certificate of Good Standing (Corporation) or Certification of Existence (Limited Liability Company) issued by the Illinois Secretary of State. or Certificate of Existence (Limited Liability Company) issued by the Illinois Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture.)
- \_\_\_\_\_ Evidence of Evidence of Errors and Omissions Insurance, \$1,000,000
- \_\_\_\_\_ References
- \_\_\_\_\_ Description of Company
- \_\_\_\_\_ Current MBE/WBE certification letter if applicable.